

**VOIP/IP TELEPHONY:
A FINANCIAL ANALYSIS FOR DIFFERENT
BUSINESS SECTORS IN SRI LANKA**

K. L. L.Silva

A Dissertation submitted in partial fulfillment of the requirements for the degree of Master of
Business Administration in Information Technology

Department of Computer Science & Engineering
University of Moratuwa

Srilanka

December 2006

92254

Abstract

This research study was earned out as a part of the MBA in IT program conducted by the University of Moratuwa. This is an exploratory type of research carried out to analyze the financial aspect of IP telephony & Voice over Internet Protocol (VoIP) for different Business Sectors in Sri Lanka. The analysis was carried out in Case Study style for selected companies. Companies were selected based on a specific criteria /scope & so once it falls in to these criteria the case of collecting information for a comprehensive analysis was taken into consideration as well since a whole heap of information is required for a more realistic calculation.

Currently, it is not possible to find a document on return on Investment (ROI) or Financial Calculations for these types of projects in Sri Lanka. This is mainly due to the fact that this is a relatively new technology & the secondly due to lack of information to carry out such a task. In North America & Europe independent research organizations carry out such research on various technologies no sooner the technologies come into the limelight. In developing countries like Sri Lanka such independent research organizations are almost nonexistent primarily because this is a relatively small market in a third world country. Yet Sri Lanka has world class industries in Garment, Tea & other sectors in Manufacturing, Hospitality, and Information Technology and so on. Financial Sector is facing heavy competition from foreign based banking giants like HSBC, Citibank, Deutsche Bank, ICICI bank etc. Same goes to many other business sectors. Hence in order to compete in an open, global economy, any company requires ammunition. Ammunition to lower their costs, differentiate, provide a focused service. Information Technology is one area that many companies turn to obtain ammunition in this regard. Communication is one area almost every company cannot live without. Hence this type of a study would hopefully benefit the Sri Lankan Businesses and other sectors.